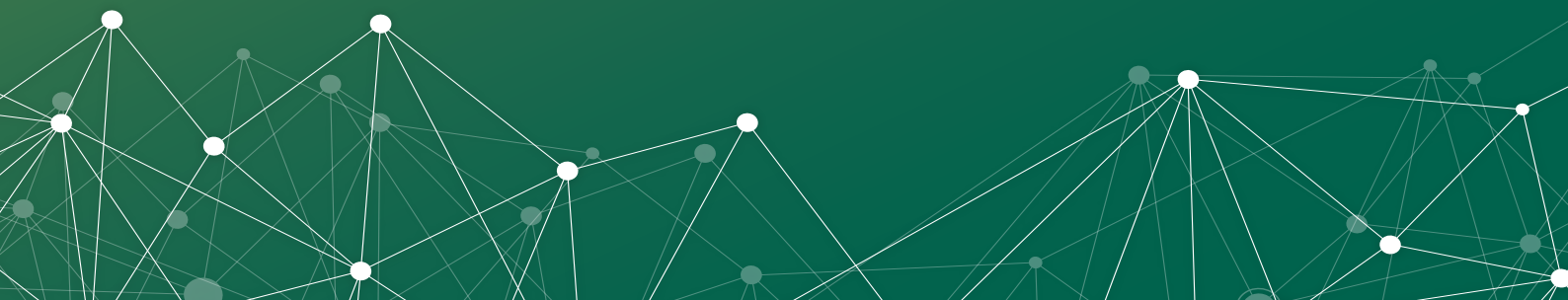





Accelerating through the turn

Preparing for a future beyond the crisis.





There you are, speeding down the racetrack at over 150 miles per hour. You see the corner coming up fast, so you hit the brake and establish your straight line. You turn hardest through the apex, then slowly begin to accelerate out of the curve, following a new direction.

Effective leaders are like race-car drivers. They adapt quickly to changing conditions. They're energized by challenge and not afraid to take chances. And they can see around corners, outmaneuvering the competition.

Yet the global coronavirus outbreak has veered even the most successful leaders off course. The pandemic's scope and scale, after all, are unprecedented, and society as we know it has effectively stopped. For many leaders, it's the most challenging crisis they've had to face in their lifetimes.

The pandemic, of course, will end. But the world will look much different, which means workforces, organizations, and leadership will need to be quite different. Recovery won't be easy. Leaders will have to weigh tough choices and make even tougher decisions. And though we can anticipate the changes, a lot still remains unknown. This means that in order to accelerate through the turn, leaders will have to keep one eye on the future—and their foot on the pedal.

What postcrisis changes will impact leaders, their people, and their organizations?

We are already witnessing the impact of COVID-19 play out in real time. Leaders are making faster decisions. Organizations are showing greater agility. People are uniting around stronger purposes. And through it all, we are seeing more and more innovation. We don't expect these effects to slow down once the crisis is over. In fact, the following cross-cutting trends are likely to impact all industries for months, if not years, to come:

Work shifts to virtual.

COVID-19 has brought the world of work online. Hundreds of millions of people are now operating in the digital space, which has created a greater appreciation and preference for virtual work. Most organizations will likely consider making remote working a core element of how they get work done, in both the short and long-term, and internal investments are likely to shift from real estate to enabling work through remote technologies.

Consumption without contact.

The UK National Health Service, the fifth-largest employer in the world, took a week to transform to virtual doctor consultations—a change that would normally have taken 10 years to happen. That's the COVID-19 effect. The pandemic has accelerated digitalization to an impressive degree, thanks to social distancing and shelter-in-place mandates. Financial institutions are increasing online banking capabilities. Sports franchises are taking major annual events online. Nonprofit groups are opening e-learning libraries. As more

and more consumption becomes contactless, we are going to see an even greater acceleration of digital enablement, innovation, and technological advances.

New ways of working.

We are seeing companies recognize the importance of their ecosystems and the impact of COVID-19 and exhibit greater agility and collaboration than ever before. Just think of the communications companies that are responding to the crisis by giving discounts to small businesses to help them stay afloat. Or the tech giants that are partnering to solve the pandemic's toughest challenges. Companies, after all, are not islands, and those who recognize this reality will likely do well postcrisis. We are also likely to see a greater shift in organizational culture, where messages of efficiency are balanced with a culture of inclusion, empowering employees to bring new ideas to the table even during rough times.

Taking action during uncertainty

Every organization is in a different phase as it manages through the pandemic. Some are in survival mode. Some are planning to rebound from the crisis by reshaping their portfolio to align to new customer needs. And others have disruption on their minds. Each company will have to take substantial steps in order to jump-start their operations and return to healthy levels of performance after the crisis ends. Business processes, talent management,

organizational culture, and so much more will have to adapt and change in order to thrive post-COVID. And organizations will need to embed these changes so they don't snap back to business as usual.

But there is so much change and uncertainty on the horizon. Where do you get started? We have anchored some recommendations around the following framework.



Purpose is the new strategy.

During this crisis, we have seen the power of purpose in uniting workforces. The organizations that already had a strong and enduring purpose have rallied behind it. Take life sciences, where many are seeing their ultimate purpose not as producing drugs but as healing patients. They are now collaborating with competitors on treatments, cooperating with governments, and even giving supplies away. This is purpose playing out, and at the same time creating an environment of global innovation and service. For those organizations that didn't already have this purpose, they have effectively created one: the need to survive this crisis. This is working for now, but it leaves a huge risk once the crisis goes away. Organizations in this position need to define a meaningful, customer-centered purpose and align their leadership and workforce behind it.

Priorities replace long-term plans.

We know from our research that even before COVID-19 hit, leading organizations found it largely fruitless to develop and execute detailed, multiyear corporate plans. Increasingly, we see businesses operating two plans simultaneously: one quarter-to-quarter and the other honing longer-term purpose and meaning. Private equity firms, in fact, do not believe in five-year plans, and instead work with their companies on two-year visions, tracking performance against quarterly priorities to assess progress. Now is the time to create strong organizational focus on a set of clear and well-communicated short-term business priorities that align to your organizational purpose.

Organizational capabilities create focus and discipline.

Organizational capabilities bridge the gap between priorities and delivery. They are the processes, systems, tools, skills, knowledge, behaviors, and structures that companies need to achieve their business objectives (think innovation or customer satisfaction). In our work with clients, we have found that clarifying what creates value in your business is critical to translating ambitions into reality, often leading to changes in areas like organizational structure, talent, and product portfolio. Take one global consumer brand which realized through the crisis that its supply chain management had been an undervalued organizational capability. As a result, the company now believes it can achieve a sustainable competitive advantage through better planning and active supply chain management, maximizing speed and customer value. Now is the time to define the two or three organizational capabilities that will help your organization accelerate its rebound.

Agility depends on the right people data and analytics.

Six months ago, an HR director for an automotive organization created a baseline for his company's workforce to prepare for the firm's shift from a traditional industrial company to a software one. The data collected on the workforce and its transferable skills has proven to be invaluable: the company is now able to analyze and make quick decisions about restructuring and refocusing its staff, not only to address the current pandemic but to seize opportunities that will emerge beyond it. Make sure you know the true worth and flexibility of one of your most valuable assets—baseline your talent.



Contents

While we are still in the midst of a global crisis, many of our clients have started to think about recovery. This collection of articles brings practical advice that will help you accelerate through the turn, setting priorities for your leaders, organization, and people to succeed in the new future of business.



How organizations can transform to perform

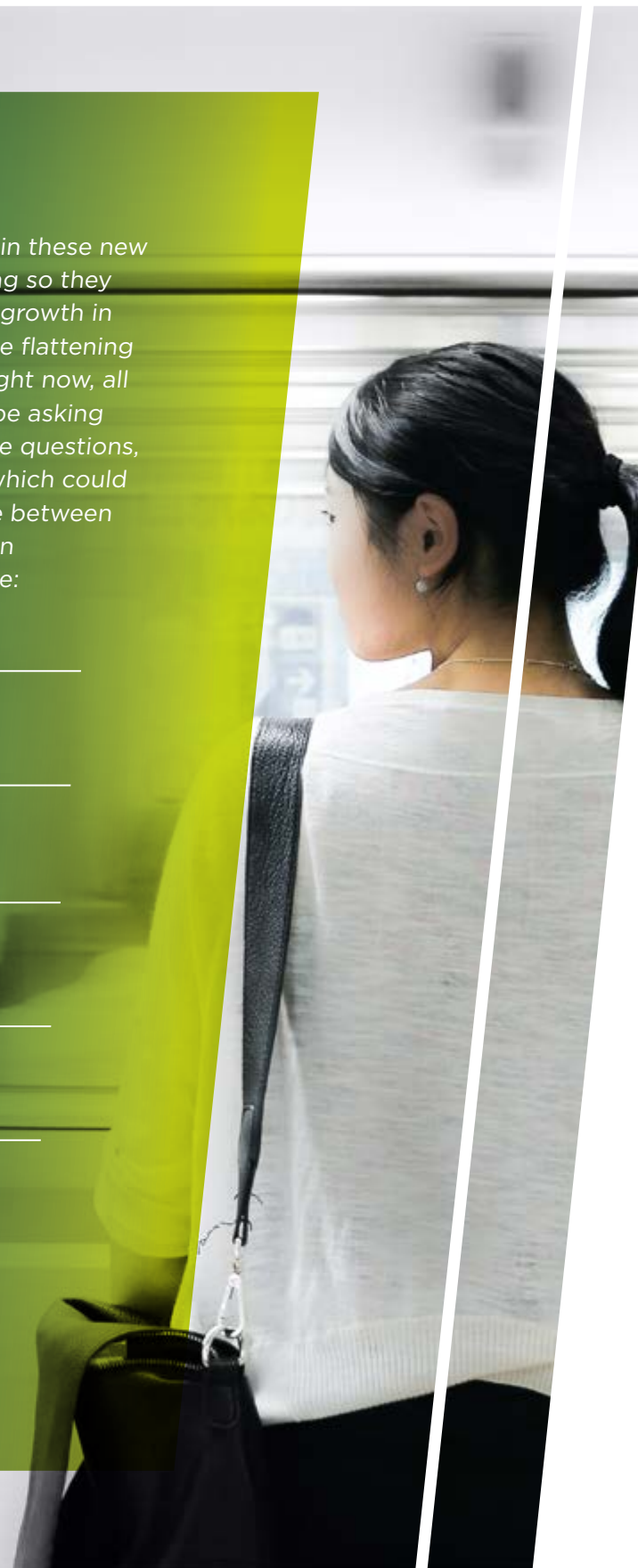
As hard as this crisis has been, it's also helped some firms change for the better. How do you keep the best of what you've become and adapt your organization to thrive in the new normal?

It's hard to remember the world pre-COVID, and even harder to imagine one post-COVID. The crisis has tested the acumen of leadership and the agility of organizations in ways never before seen. And they have responded by casting aside bureaucracy and inefficiency and giving rise to positive behaviors that have driven rapid transformational change, becoming more agile, decisive, innovative, collaborative, customer centric and empathetic than ever before.

Though it is hard to envision now — amid a stunning falloff in many firms' revenues and equally stunning staff cutbacks—the crisis will end. When it does, leaders will need to be mindful of not letting their organizations fall back into past negative behaviors. The opportunity and challenge for leaders

now is to lock in these new ways of working so they can accelerate growth in tandem with the flattening of the curve. Right now, all leaders should be asking themselves these questions, the answers to which could be the difference between lasting rather than ephemeral change:

- **What positive new behaviors do we want to preserve and how do we align around them?**
- **How can we cut costs now while preserving what will make us successful in the future?**
- **How do we redesign our organization for these new behaviors?**
- **How do we adapt our culture to embed these behaviors into our DNA?**



Positive behaviors that have emerged from the crisis



Decisiveness.

A CEO of a multi-billion-dollar global pharma company leaned into the moment of crisis with courage and boldness to accelerate decision making - using the disruption as a catalyst to reshape the leadership team. He broke down cultural barriers of “over permission seeking” to create a place that can quickly move amidst uncertainty, exuding a sense of confidence in his leadership team as they brace for what’s to come.



Agility

Confronted with the sudden closures of its primary distribution channel to restaurants and institutions, Sysco, a big American food-distribution firm, built an entirely new supply chain and billing system to serve grocery stores in less than a week.



Collaboration

IBM is leading a consortium that will pool supercomputing resources to help in the search for therapies.



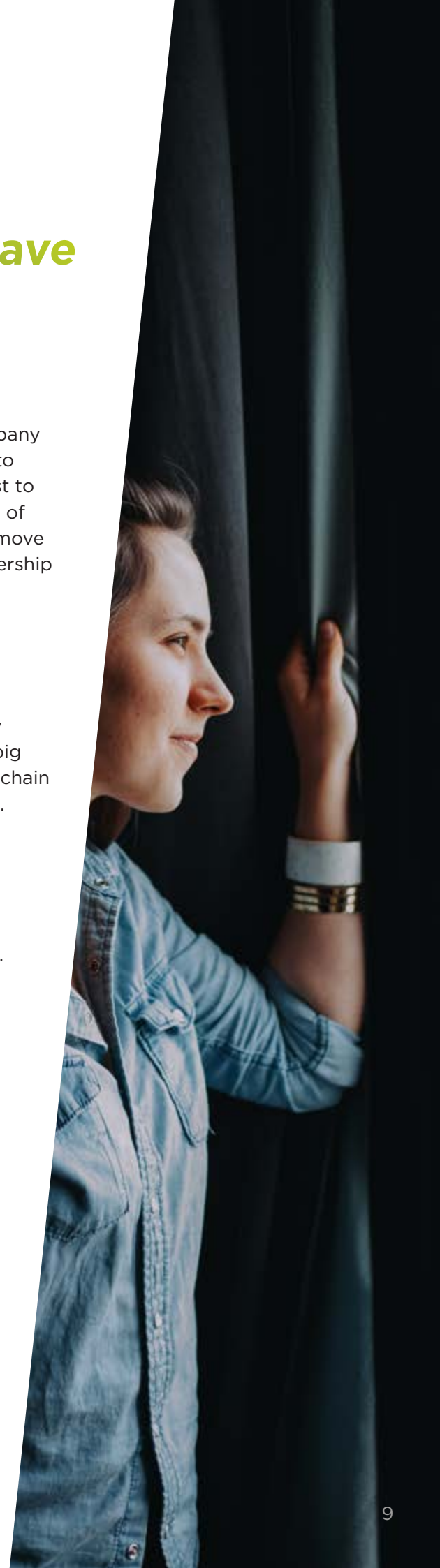
Innovation

Evergrande, a big Chinese property firm, encouraged its sales force to use social media and virtual-reality technology to promote homes during the country’s COVID shutdown; its sales more than doubled.



Empathy

In a recent Korn Ferry poll of almost 5,000 business leaders, 69% said that their leaders had shown more empathy during this crisis.



Archetypes for exiting the crisis

Every organization will approach the rebound in its own unique way, depending on its own unique situation. There are, however, some archetypes emerging. Broadly speaking, organizations are driving forward in four ways: disrupting, preserving, pivoting and surviving.

Pivoting

(Re-shaping the portfolio to drive efficiency and performance):

Pivoters need people who can drive toward an established set of outcomes. The culture should include adaptability, speed and agility to make the required changes to the organization and maximize performance outcomes. People need to be adaptable, agile and outcomes focused.

Disrupting

(Creating new market norms and/or business approach):

Disruptors need a strong sense of identity and a well-defined culture. Employees should share attributes and skills that are consistent with that identity and believe in the organization's aspiration.

Surviving

(Hard restructuring and divestment):

Survivalists are in a crisis state that requires short-term focus on this urgent situation. Clear and effective processes for governance and decision-making will enable organizations to successfully emerge from the crisis. An 'all-hands-on-deck' culture and people commitment is paramount.

Preserving

(Cost optimization and cash generation):

These organizations need their people to have a clear understanding of their goals and to be adaptable, and flexible in order to achieve them. They are likely to have a culture of focus, urgency, and priority to drive immediate outcomes.

Organization agility

Financial resilience

Every organization will need to change the way they work to some extent if they are to emerge from this crisis. But the priorities for each archetype will be different. Korn Ferry's Organization Scan pressure tests strategic, financial, leadership, and organizational health to give leaders a set of prioritized actions to grow their business. We've created a slimmed-down version of this scan, which provides a report on ways to navigate the crisis.

You can access it here at no charge.

Cut and preserve

For those organizations that find themselves in survival mode, a major cost cutting exercise is inevitable. The challenge here is to strike a balance between two, potentially competing, perspectives:



Liquidity

Can we stay in business?

This is all about matching the current workforce to the available work, making rapid workforce choices about redeployment of staff, laying people off or finding new products and services to deliver.



Solvency

Can we sustain our business as we emerge from the crisis? This means holding onto the capabilities that will be critical to enabling the organization to accelerate through the turn.

The choices leaders make at this stage are critical. To make them successfully leaders need:

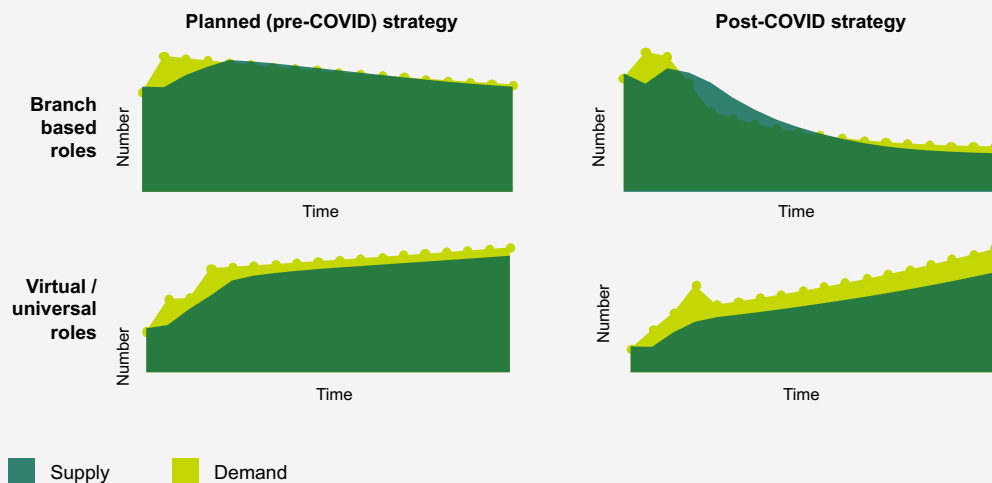
- an understanding of the core organizational capabilities that are required to successfully execute against short- and longer-term priorities.
- a robust organizational baseline of people data, including the types of roles they are performing, whether they work on-site or virtually, and how easily their roles can be made virtual or digitized.
- clarity on the options open to them to change the workforce, for example pay freezes/deferred rewards, furlough of staff, and use of contingent workers.
- clarity on the options open to them to change the work, for example moving to virtual working, digitization of roles, reorganizing or launching new products.

This data will arm leaders with options to model and plan scenarios as the crisis unfolds so they can respond quickly but in line with what the data shows.

Balancing liquidity and solvency at an international bank

The recent restructuring undertaken by one large international banking group illustrates this liquidity versus solvency equation perfectly. Even before the crisis, this banking group planned to rationalize its physical branch locations in favor of offering more services digitally. The outbreak compelled the bank to accelerate its timeline, closing branches faster than planned and bringing more automated services online more quickly. More importantly, instead of making the rash decision to lay off staff in light of the crisis and the branch closures, the bank analyzed workforce scenarios and financial modeling data and decided to reskill many of its staff to become 'universal bankers' – able to deal with a wide array of customer services and requests. This strategy allowed the bank to protect the business while also staying liquid and solvent. It didn't just take out costs – it also aligned the organization around its core capabilities. The result: increased employee engagement, higher customer satisfaction, lower costs, and more revenue.

Pre- and post- COVID workforce scenarios



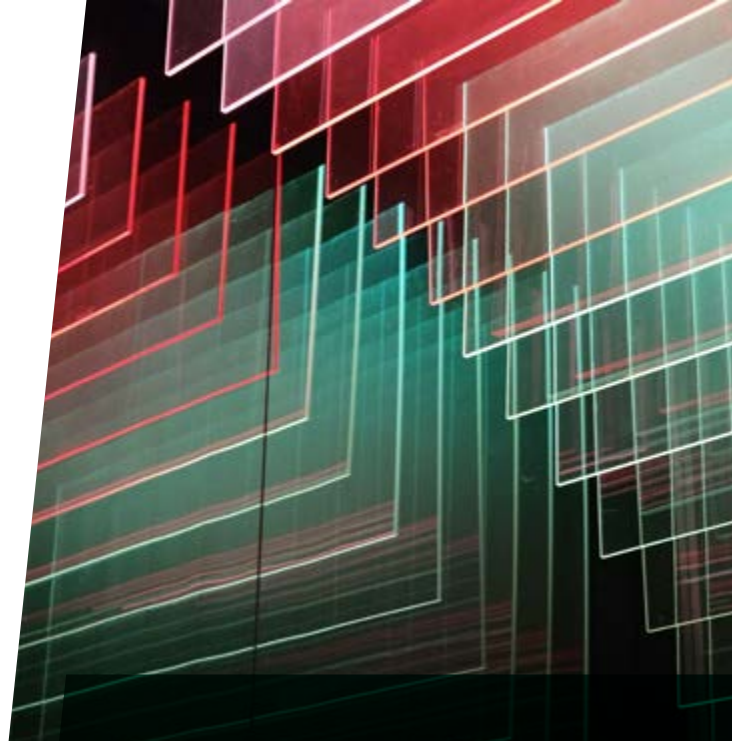
Redesigning for new behavior

All organizations, regardless of their archetype, will need to go through some level of restructuring to make it through this crisis. The most successful will take this opportunity to reorganize in a way that also preserves the positive behaviors we have seen emerge from this crisis.

We know most organizations are not designed in a way that enables agility, collaboration, innovation and speedy decision-making. In the past months and weeks, people have had little choice but to break down organizational boundaries to get things done. But if the structure stays fundamentally the same, then people will snap back all too easily into their old ways of doing things.

Enabling these new behaviors requires moving from a hierarchical organization where leaders delegate tasks and employees are protected from ambiguity to a more fluid ecosystem where people collaborate quickly and efficiently and leaders provide direction and create the conditions for people to do their jobs effectively amid ambiguity. That's much easier said than done, however — just think about how difficult it is to break out of the traditional mindset of siloed divisions operating independently to truly interdependent divisions operating collaboratively.

But it is imperative that leaders start breaking down these organizational obstacles. To be sure, one of the biggest challenges confronting leaders is how consumer behavior will change as the pandemic recedes. No one knows, for instance, how consumers will alter their shopping habits or what they will expect from healthcare providers as we emerge from the crisis. With no way to predict how consumers will change, leaders must design their organizations to be as responsive as possible, creating agile and collaborative working conditions for faster decision-making and execution.



5 ways to build a more agile organization

- Minimize the number of levels in the hierarchy. The best in class benchmark for highly agile organizations is three to four levels.
- Group different functions with similar and highly interdependent capabilities together.
- Create bigger and more versatile teams, built around end-to-end accountability that can face different challenges.
- Define and engage with the ecosystems around your organization, recognizing that these type of partnering and collaborative relationships are not the same as traditional supply chain procurement.
- Introduce cross-functional Communities of Expertise around relevant/similar capabilities such as those found in job families.

Faster decision making

'Old organizations' before COVID

More than 7 reporting levels and 15%-20% management



New organizations after COVID

Optimized number of levels (3-4) to increase speed of delivery

Distributed responsibility and decision-making across fragmented functions



Functions with similar and interdependent capabilities grouped together

Excessive consensus seeking through committees and meetings



Clarified delegations for each position

Speed of execution

'Old organizations' before COVID

Focus on vertical careers and progression through a hierarchy and process-heavy performance management



New organizations after COVID

Technical career paths allow experts to grow and progress through the company

Appointment and promotion pressure to achieve status



Bigger and more versatile teams, built around end-to-end accountability that can face different challenges

Reduced span of control (4.5 average) due to promotions at lower levels arising from the need to be seen to manage people to progress



Empowerment facilitated by providing greater autonomy and a clear purpose to facilitate the decision-making process

Technology that allows people to do what they need to do; investment in cloud-based solutions (which can be implemented and rolled out easily) to plug any gaps

Greater collaboration

'Old organizations' before COVID

Units working in silos, without the opportunity for feedback from other areas



New organizations after COVID

Families and roles that facilitate mobility between silos

Resources are "owned" by the area



More dynamic teams (liquid resources) participating in cross-cutting projects

Increased costs because of small teams (1 new project or 1 new function = 1 resource)



Cross-functional Communities of Expertise around similar capabilities

Reduced mobility and communication



Engagement with the ecosystems around your organization and recognition that partnering and collaborative relationships of this type are not the same as traditional supply chains or procurement

More agile working

'Old organizations' before COVID

Leaders as masterminds who delegate tasks and instructions in a top-down manner



New organizations after COVID

Small, stable cross-functional teams/squads (max. 9-12 FTEs) with end-to-end responsibilities

Most people in the organization protected from stressors and complexity; information treated as a scarce resource



Tribes or disciplines (~150/200 FTEs) set for different parts of the customer experience, products or support functions

Optimization for set outcomes and plans



Governance and targets for teams and tribes, with functions focused on capability building

The power of smart teams

Indeed, a large part of the success of agile firms — and of embedding positive behaviors throughout the organization — rests on how successful leaders are in building agile teams. Leaders must work collaboratively across the organization to define and mobilize cross-functional talent pools that can work together to deliver specific priorities and objectives.

But it is not enough that leaders build agile teams; they also have to build what we at Korn Ferry call smart teams. In their most basic form, smart teams are diverse, inclusive, and configured for a precise purpose. They feature not only a mix of skills, expertise, and viewpoints but also a blend of gender, racial, and cultural backgrounds. They require leaders who can establish trust through empathy, recognize their own cultural preferences, and gather different viewpoints to achieve organizational goals. To get an idea of how hard finding this kind of leader is, consider that among Korn Ferry's 24,000 leadership assessments, not one included a score in the top 25% of all the traits and competencies that comprise our inclusive leader model. So, focusing on developing them or hiring them is critical.

As important as the members of the team is its purpose. The most successful teams are brought together to solve a specific problem — often caused by an unforeseen internal or external event — by using data and the combined creativity and insight of its diverse members. Part of what makes these teams so successful is that they are configured and dissolved on an ongoing basis to retain the agility to respond to rapidly fluctuating situations.



Adapting culture

While restructuring the organization is important, it's not enough. Organizations need to make these positive behaviors part of their culture, "how things are done around here." The crisis has already kick-started this cultural change. With momentum propelling them forward, the job ahead for leaders is to amplify existing positive change and then embed it into the fabric of the firm. Here's how:

Focus

In order to maintain momentum and drive culture change, CEOs need to choose the few behaviors they have absolute conviction are critical for both immediate and enduring value — and then actively model them. They need to show, not tell, what the new behaviors they want to encourage look like — and they need to be specific. "We want to be consumer-focused," isn't going to cut it. What, precisely, is going to change to create more consumer focus and how will those changes be implemented?

Lead

The way leaders behave — how they go about making tough decisions and communicating them — sets a powerful tone from the top that will reverberate throughout the organization's culture long after the crisis is over. If faster decision-making is a goal, for instance, then moving from monthly meetings to daily check-ins with the management team is a specific action that can be easily implemented. That's precisely what one automotive company CEO started doing when the crisis hit. And the greater alignment and engagement received from the executive team convinced this CEO to permanently move from weekly meetings to daily check-ins, crisis or not.

With momentum propelling them forward, the job ahead for leaders is to amplify existing positive change and then embed it into the fabric of the firm.



Amplify

Aligning the top team at the beginning of the process is perhaps one of the most critical elements for CEOs to drive results. So, too, is championing the positive behaviors they are seeing from workers throughout the organization. Amplifying the actions of hero team members and employees who are living the behaviors and values the CEO wants to engender will be vital to accelerating into the turn. Part of the reason is because it will help accelerate mindset shifts among leaders and the workforce alike which is critical to cultural change.

In fact, too often CEOs rely on their executive teams, who in turn rely on senior leadership, to drive cultural change. But many times, particularly in the midst of a crisis, the organization's "true influencers" aren't the usual suspects. Tapping into these unexpected but emerging leaders can help connect leaders to different groups, teams, and areas of the organization, including those that may be resistant to change, and gather information and feedback to create real-time cultural agility. Korn Ferry data shows these "true influencers" can increase the speed of change by as much as 25%, improve engagement initiatives by up to 30%, and even reduce communications costs by around 15%.

Embed

Ensuring that the positive behaviors endure beyond the crisis requires that the people, processes, structure, and governance all come together to enable and reinforce the desired culture. Leaders need to ask whether their organization's design delivers the capability, capacity, and commitment for people to continue doing the right thing in the right way. That means aligning the entire talent management lifecycle around the same behavioral objectives. Hiring, onboarding and engagement processes must emphasize the positive behaviors, for instance. Training and development should be designed to reinforce and build skills and behaviors consistent with an agile, collaborative, purpose-driven organization. Rewards should incentivize performance that aligns with behaviors and outcomes you are driving toward, and performance management should be reframed around what employees need to build and focus on in order to succeed in the company.

People, processes, structure, and governance should all come together to enable and reinforce the desired culture.





Ways to embed agility

Recruitment

- Use artificial intelligence to accelerate time to hire.
- Make the candidate's experience with the company role-model agility.
- Ensure that the candidate's traits and drivers align with behaviors the organization wants to encourage.

Skill development

- Engage employees in virtual, micro-learnings and experiences to build agile method knowledge and capability.
- Provide opportunities for stretch assignments and project rotations.
- Create cross-functional teams to encourage collaboration.



Performance management and rewards

- Move toward a culture of real-time feedback
- Focus performance conversations on the things that will enable near-term future success.
- Incentivize performance that models results AND positive behaviors.
- Create clear KPIs that allow for greater autonomy and accountability.

Processes

- Take out decision-making committees in favor of clearer single point accountabilities.
- Adopt an iterative development approach to shorten time to execution.
- Use purpose as a strategic differentiator.

Delegations of authority

- Be clear on authorization levels at the front line to make decisions and commit company resources. (e.g., providing engineers a financial budget to use at their discretion for maintenance outside of the contract in order to secure customer satisfaction for key accounts).
- Clarify the level of responsibility and accountabilities for each position.
- Establish clear communication channels to manage risk.

Hit the gas

What leaders are operating through is in many ways unprecedented. And while they can't predict when the crisis will end, they can prepare and be ready to hit the gas when it does. Organizations don't often evolve in real time. Now is the time to learn from the changes happening instinctually to transform purposefully. Here are a few key actions for leaders to consider:

- 1** Get your leadership team aligned around a focused set of business priorities, linked to your overall purpose.
- 2** Compile a baseline of your people, focusing initially on key organizational capabilities.
- 3** Review key accountabilities and ensure that they are clear for all critical roles, keeping agility in mind.
- 4** Analyze what's working well in the business, what's enabling that to happen, and what you can learn and apply from it.
- 5** Model and reinforce behaviors with symbolic start, stop, and continue, actions.
- 6** Go where the energy is – change is most likely to happen where your leaders and people are on board. This is where you should prioritize your transformation agenda.

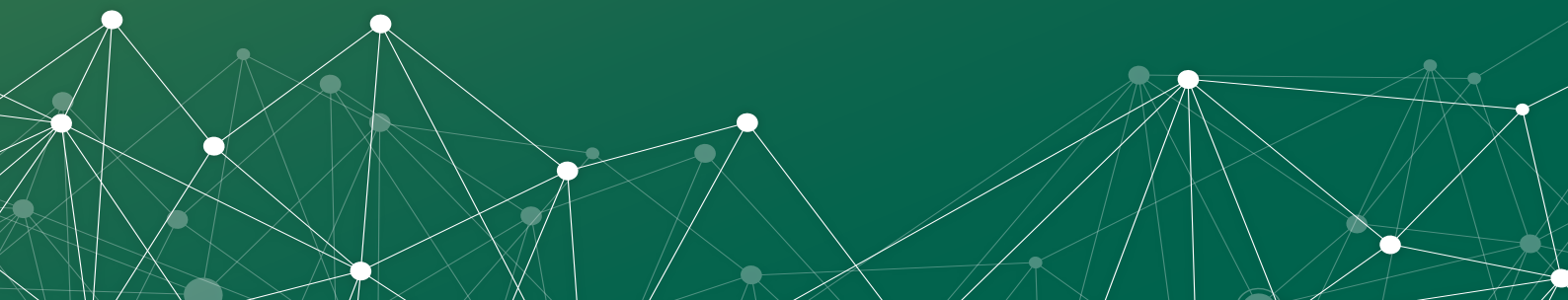
Taking these actions will provide the foundation to drive greater value and success and allow organizations to accelerate through the curve.





Shaping the future workforce

No organization could have seen either the coronavirus or its economic disruptions coming, leaving leaders unprepared for a barrage of unprecedented revenue losses and uncertainties. Now, with little choice but to hit the brakes in the spring of 2020, leaders are stepping into a new unknown—trying to figure out how to get their workforces back to normal.



This of course means determining which employees should come back and under what conditions. It also means establishing a secure, sanitary, and safe environment as a top priority. But there's a strong case to use this time to not only bring back the workforce but transform it.

Doing this type of workforce transformation isn't easy at any time, and it may not seem like a high priority now, when survival may be the goal of each day. But the most forward-thinking organizations will recognize that "business as usual" after the pandemic will not look like it did before. There will be new opportunities and challenges. Whether a company succeeds post-COVID will depend greatly on having the right people, with the right skills, aligned to the work that needs to be done. And all of that starts with a clear view of what their most important capabilities should be going forward.

In short, organizations can accelerate through the turn.



Creating a secure environment

For the past few months, organizations have tried to create efficiencies for workers they haven't been forced to lay off; manufacturers have set up social distancing for those in factory settings, while the agriculture sector established new shifts with fewer people. Now comes the unique challenge of how to handle the enormous group of employees who left offices and worked at home. In this category, there will be two major groups: those staying off-site and those coming back.

For employees on-site

For those coming back to the primary workspace, organizations need to make them feel comfortable returning, whether the workplace is a factory, a warehouse, or an open office space. This will not be an easy task. Employees around the world have seen how easily the coronavirus can spread. They justifiably will want assurances that their workspace is safe, secure, and sanitary.

Organizations should break this returning workforce into three separate groups:

Group 1

The people who never left.

Group 2

The returning vanguard, those in the first wave back to the office.

Group 3

Remaining employees who return to the workplace in future waves.

In many cases, figuring out who belongs in each group is straightforward. A machinist at a restarted auto assembly line would be in Group 2, for example. But it can soon become murky. Who needs to be in that first wave of returnees? Who might not be able to return to the office at all?

Organizations must modify their workspaces before these employees return en masse. Otherwise workers may not trust that they won't bring the coronavirus—or any other illness—back to their homes and families. Employers may need to rejig shifts so that fewer people are in the workplace at the same time. Importantly, workspaces must create more physical distance between people.

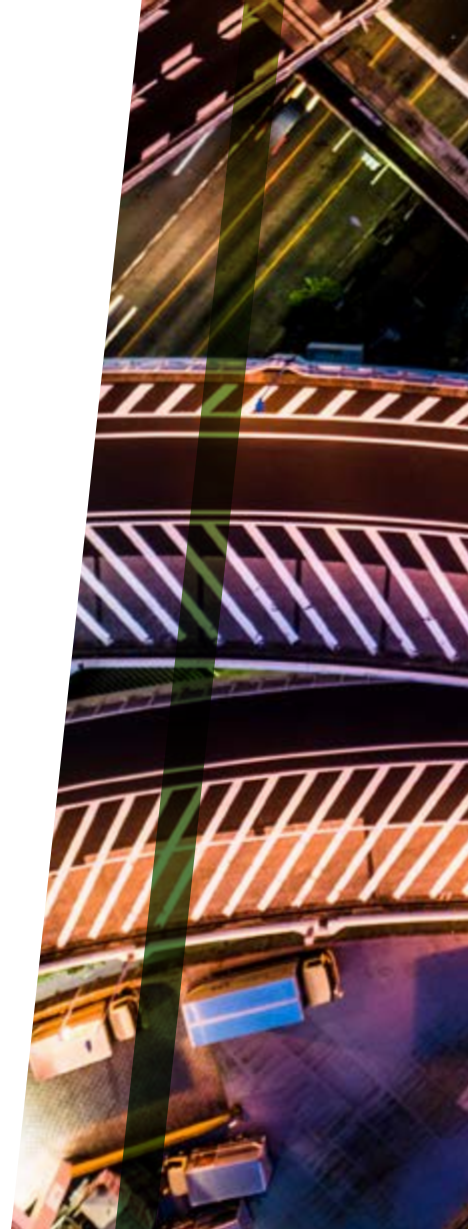
There are some ethical considerations as well. What should be done with employees who cannot work at the old office? Should those in workplaces where the virus can spread easily (hotels, airports, shopping malls) get additional compensation? Finally, there's the engagement factor: Is the office still a comfortable—or, depending on the culture—fun place to work?

(For a list of things to consider, see the “Back-to-the-Office Checklist” on page 40.)

For employees at home

Deciding who will not return on-site—and how to handle them—will be complex. Sometimes there will be individual health or personal reasons that an employee won't return. However, there might be many organization-related reasons. The pandemic, while awful in so many ways, may have shown that some work roles can be done as well, if not more effectively, away from the primary workplace. Companies must properly identify who is in this critical group.

Certainly, companies can use their current experience with off-site workers to both optimize how to engage them and train leaders on how to work with them. This likely involves developing new policies on communications, work hours, security, privacy, and other issues that were probably devised when most employees were working on-site. Any lapses in security would need to be addressed, as would video calls. And special training should be created to optimize managers' ability to work in this entirely new virtual world.



Making workers feel safe and engaged

Organizations should consider these actions for their various work groups. For actions common to all groups, see the “Back-to-the-Office Checklist” on page 40.

For employees on-site

Group 1:

The people who never left

- Listen to employee safety concerns and make adjustments before more workers return.
- Engage employees who may be fatigued or dealing with the trauma of working through the pandemic.
- Recognize and reward the group’s service.

Group 2:

The returning vanguard, those in the first wave back to the office

- Identify who can return quickly, based on their role and personal circumstances.
- Modify workspaces and communicate new and existing health/safety policies.
- Create recognition and reward systems for this group.
- Create a feedback system to learn and understand initial employee experiences.

Group 3:

Remaining employees who return to the workplace

- Develop explicit criteria about what health and business conditions need to be met before these employees return.
- Modify workspaces and communicate new and existing health/safety policies.
- Create a feedback system to learn and understand employee experiences.

For employees who may not come back on-site

- Properly identify who is in this group (or what roles).
- Create long-term policies and accommodations for working remotely.
- Use any learnings from the pandemic time to improve the working environment for those who continue to work remotely.
- Determine whether reskilling or redeployment in other work areas is necessary.
- Determine any legal ramifications of privacy, security, communications, and other critical issues.

Shaping the future workforce

Employee and customer preferences were already changing before the pandemic hit, but they may change even more dramatically now. How much business travel will there be, for example, if countries or cities ask travelers to quarantine themselves or provide documentation that they are not sick? Will organizations be willing to have all their products developed in a single country or region? Will consumers buy as much luxury clothing now if they're worried about another pandemic eating into their savings? These questions and countless others will be answered over the coming weeks and months, but it's imperative that organizations start making changes to their workforces now so they will be ready to capitalize on these shifts.

Workforce scenario planning now will help you to plan and develop the roles, skills, and structures your organization will need in the post-pandemic future. Korn Ferry calls these "the six rights." And we are already seeing how COVID-19 is reshaping them.



Right source



What it means:

Work is efficiently and appropriately distributed between humans and technology.

The impact of COVID-19:

A shift from human to machine work to protect human workers and mitigate productivity loss.

Example:

Starbucks has created a “contactless experience” using a combination of digital ordering and redeployed store employees to reduce potential virus spread and the time a customer spends in a store.

Right site



What it means:

Availability of people with the right capabilities at the right locations to meet changing requirements.

The impact of COVID-19:

Creating a safe, productive environment and shifting work across workplaces around the world as needed.

Example:

Knowing its business had to continue but fearing for the health of its personnel, Citadel Securities rented a hotel in Florida. It then flew dozens of personnel, tested their health, and set them up to work.

Right size



What it means:

The appropriate number of people with the necessary skills for the jobs needed to achieve your strategic goals efficiently and effectively.

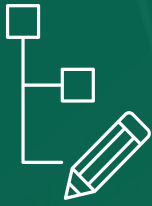
The impact of COVID-19:

Increased ability to flex up or down to respond to disruption.

Example:

Amazon is quickly hiring tens of thousands of workers in full- and part-time roles to account for increased demand.

Right shape



What it means:

The right composition of workforce, in terms of structure and purpose, as well as the appropriate demographic mix.

The impact of COVID-19:

Structures focused at the team level to drive remote work and innovative collaborations.

Example:

Many global corporations have deployed people between seemingly disparate divisions, as some work is declared essential and other work not.

Right skills



What it means:

Clarity about the capabilities necessary to meet future goals and bridge current gaps.

The impact of COVID-19:

Reskilling for virtual, more technologically enabled work and redeployment.

Example:

Verizon is training thousands of currently remote-working employees so they can provide customer support and sales from home even after the pandemic fades. At Korn Ferry, we're seeing an increase in recruiting in five key categories: digital, cloud computing and agile, information security, mobile, and data/analytics. And it's not just the technical skills that are in high demand. Learning agility is more important than ever as we move forward into uncertain times.

Right spend



What it means:

An effective staff/cost ratio generating the desired profit and growth.

The impact of COVID-19:

Reducing overall spend while engaging talent and building future capabilities.

Example:

One financial services company guaranteed employment to all of its staff through 2020, managing costs with short-term hiring freezes and curtailing other expenses.

How jobs are changing

This type of planning is not as simple as adding or subtracting head count. In many cases, the pandemic has altered or even completely upended how an organization does business, eliminating the need for an entire array of roles and creating new ones that might have

been unthinkable at the firm. Under this scenario, some employees may be able to shift to new positions and adjust skill sets accordingly. Others may not. Only a truly systematic analysis can help organizations determine if their workforce is truly the right fit.

A job is created

If:

An organization needs a capability it currently doesn't have.

Example:

Blockchain analysts, machine learning specialists and scrum masters.



Then:

Define and level the new accountabilities and the skills and behaviors truly needed for these new roles with great clarity. Then search for those skills and behaviors among job candidates, both internal and external.

A job is eliminated

If:

An organization determines that certain work is no longer essential to the organization's purpose.

Example:

Jobs replaced entirely by technology or leaders of business units that are disassembled.



Then:

Provide thoughtful outplacement support, reassemble new teams, and offer re-skilling opportunities where appropriate.

A job evolves

If:

Work is still core to the organization, but how it's done has changed.

Example:

Sales people are still selling, but connecting with customers differently. The skills are often still core but mindset and behaviors need to change.



Then:

Identify the accountabilities, skills, and behaviors that have shifted. Offer reskilling support to employees. Use analytics to identify where redeployment may be needed.

A job is contingent

If:

Work is needed by the organization, but not consistently.

Example:

Retail scaling the workforce with contingent workers to meet changing demands.



Then:

Create the mechanisms to let a contract employee do the work. Monitor to ensure that the contingent label remains relevant.

Here are two examples Korn Ferry believes will be necessary...

A job is elevated

Current job:

Supply Chain Leader

Why it needs to change:

Supply chains need to be reimagined after the pandemic has exposed geographic vulnerabilities. At the same time, digitally transforming the supply chain can help predict when parts need to be repaired, improve inventory management, and even create more effective manufacturing processes.

New job:

Centralized Global Superplanner

‘Old role’

Accountable for having material and products delivered on time to the right place.



‘New role’

Accountable for designing process transformations and growth of the business.

Focused on the customer. Reactive. Works mostly alone. Relies on anecdotes and demands.



Focused on the end consumer. Proactive. Relies on data. Embraces change and collaboration.

New Skills Needed:

- Knowledge of demand/supply plan process, employee networks, and lean/agile methodologies.
- Management of data scientists.



A job shifts in focus

Current job:

Field Salesperson

Why it needs to change:

Business travel almost certainly will become more difficult after the pandemic. At the same time, many organizations are more interested in creating deeper relationships with their own customers, not just being the provider of a good or service.

New job:

Hybrid Inside + Field Salesperson

'Old role'

Visiting clients and prospects to generate more product revenue.

Sales and delivery focused. Deals are sealed with a handshake. Independent of other colleagues. I drive my client.

'New role'

Gathering data and building a compelling value proposition for clients and prospects.

Customer and postsale focused. Interdependent with colleagues. The client is my partner.

New skills needed:

- More acute business acumen.
- Analytics knowledge.
- Empathy and higher emotional intelligence skills.



A job is created

New job:

Data Scientist

The role:

- Data analysis.
- Complex Problem Solving.
- Mathematics.
- Computer Science.
- Automation.
- Data interpretation.

Options to fill the role

Key considerations

1. Hire

- Get clear on role purpose - how the job adds value, how it fits into teams.
- Align skills and capabilities to the work



- Market scarcity.
- High cost to hire.
- Fills the gap quickly.

2. Reskill (Marketing analyst)

- Start with roles that have similar responsibilities
- Clearly define and level new skills



- Engages and develops future stars.
- Could cause pay challenges moving across functions.

3. Upskill (Qualified accountant)

- Look for roles with related capabilities
- There may be more of a stretch from the future role



- It's a risk moving someone to a bigger job.
- Use job architecture to measure stretch and manage pay differences





Taking action to transform your workforce

An organization's post-pandemic people priorities will be shaped both top down (the business imperatives and organizational capabilities needed) and bottom up (the current workforce and the speed at which it can be altered).

What's challenging in the current business environment is that needed capabilities are changing faster than it's possible for organizations to shift their workforces. Large-scale hiring is off the table for many organizations on a cost basis, especially with the economic environment around the world so uncertain. Instead, companies must reskill their existing employees or members of their communities. This means expanding people's capabilities and employability, often using adult learning and training tools.

Reskilling is only part of the answer. In the postpandemic world, organizations also need to redesign the workflow, combine some positions, add others, and probably eliminate some. They also will need to be more creative in finding and onboarding people, including through acquisitions, partnerships, gig economy-style freelancing arrangements, and talent pools oriented to flex work. Finally, they must fill their enterprises with opportunities for continual self-renewal via modern learning strategies and digital technologies, so that becoming adept in new technologies is just part of everyday life.

Ultimately, the transformation of the workforce should answer three primary questions:

1

What's the work that needs to be done?

Answering this question means examining every role at the firm against what the organization has mapped as its most critical capabilities going forward. It involves defining the critical roles for the future workforce, the skills and behaviors needed in the employees who fill those roles. Define what good looks like for a future workforce and redefine the success profiles for roles that are changing. This type of planning will clarify which jobs are created, eliminated, elevated, reshaped, or replaced with technology. Organizations also need to do this on the assumption that the coronavirus pandemic is not the last such massive disruption.

2

How do we close the gap between today's and tomorrow's workforces?

This involves segmenting the current workforce by skills and behaviors. Supply chain leaders, for instance, will have to anticipate how future market scarcities will impact talent needs. Only then can an organization determine whether it has the people to fill the critical roles of the future workforce already in-house or if it has to go out and acquire them.

Once an organization understands its populations in terms of future skills and behaviors, the next step should be figuring out how to reskill or upskill workers on a targeted

basis for more technology-enabled, automated, or remote work. What this looks like will vary hugely by organization. On one end of the spectrum, some organizations will opt for large-scale upskilling programs, such as Amazon's efforts to retrain thousands of warehouse workers to become programmers. On the other end of the spectrum, Chinese beauty company Lin Qingxuan redeployed a select group of beauty advisors to become online influencers, and with a bit of light reskilling around social media for that group of employees, actually grew sales during the Wuhan pandemic period. Both cases support not just short-term needs but a long-term, secular transition toward greater digitization. Finally, any look at tomorrow's workforce should also include a review of leadership succession so the organization has a steady pipeline of purpose-driven, agile leaders.

3

How do we make the transition successful?

Workforce transformations can look excellent on paper, but they will only have any staying power if they are executed well. To improve the odds of a successful transformation, organizations must be maximally inclusive; that is, there is a role—and support—for everyone. Companies need to allow employees to give feedback, which can ensure that any issues involving the transformation are identified early. To do this currently, many organizations have added weekly or biweekly pulse surveys, with an eye toward monitoring employee sentiment and identifying challenging issues. These should stay in place, perhaps with slightly reduced frequency, as the overall transformation progresses. Finally, there needs to be serious consideration of the right performance and reward systems.

Rewarding people through the transition

Organizations need to continue to carefully monitor compensation spend against business performance as they bring people back from furlough and secure the talent they need. Some of the key points they will need to address include:



Recognizing critical talent.

Organizations may be looking at retention awards for business critical talent or spot incentives to reward front line employees who have been working harder than ever -and in some cases risking their health. Finding a way to recognize today's everyday heroics is critical to building the trust and engagement that you will need to harness people's energy and move forward.



Reviewing incentives.

Organizations may or may not need to restructure the entire plan, but re-calibrating targets, payouts and especially plan funding are key in the short term. Incentives are meaningless when the goals and targets are no longer relevant.



Focusing on fairness.

Jobs are changing, people are taking on new roles -and they need to know their pay is fair. This is a time to pay attention to internal equity and make sure job grades accurately reflect what you are asking people to do. And remember that base salary is critical. People need stability right now and base salary is the core of the reward mix that people count on to make ends meet.



Ensuring you are rewarding for the right things.

This is a time to step back and ask yourself if you are rewarding the right things. Reward strategy needs to be revisited anytime there is a change in the business and talent strategy. But this isn't any ordinary change. We've all had the opportunity to re-examine what's important to us. Rewards that engage people need to be meaningful. It may mean taking a close look at your performance equation -how you define performance and tie it to pay. Team based incentives can help rally people around a common goal; shorter-term spot rewards can build momentum and encourage agility.

Hit the gas

There are several short-term steps that leaders can take to get the workforce transformation started. The more specific the step, the less uncertainty employees will have.

1 Customize “return to work” plans for each employee population.

Segment your workforce and make sure each population has a customized return to work plan. Particularly appreciate the difference between full time work from home and returning to office.

2 Capture real-time learning via employee listening.

We believe that there will be an increase in frequency of employee surveys and the focus and value will be on driving change not benchmarking. Use these to capture learnings on newly remote roles and temporarily transformed on-site environments and have leadership teams periodically digest and align around these learnings. Which jobs have been most affected, and how? What perceived skills and efficacy gaps are arising from new ways of working? Which populations are disconcerted, and which are thriving? Answering these questions is crucial, as it get leaders aligning around a common account of the truth on exactly what lessons the organization will take away from the immediate crisis period and carry forward.

3 Support your managers to lead new ways of working.

Give your managers a robust tool kit to lead populations with a higher proportion of remote work or changed on-site circumstances. Managers need immediate support around the technical “what” (platforms and tools) and the behavioral “how” (showing empathy remotely, for instance) of leading virtually or in changed on-site circumstances. More near term they will need development in strategic agility and inclusive behavior. They also need wellness support for both themselves and their teams. These are hard jobs with long hours. And many managers would have had to make tough decisions about their staff in recent weeks which would have taken an emotional toll.

4 Determine whether your current job architecture is fit for modern roles of the future.

Start with a clear perspective on purpose; be clear about how you want to transform through the turn and what that is going to look like. Anchor change in the work people do, not only in the organizational chart but also through a modern job architecture that helps you level the work, align capabilities, and reassemble career paths. When jobs change, it's important to have the right tools to ensure that changes are seamlessly connected to talent management and compensation.

5 Perform a quick hire / reskill/ upskill assessment of your critical jobs.

Start identifying gaps, especially in critical roles. The most common mistake organizations make on reskilling journeys is not properly understanding their current state of play and strategizing according to their population's unique strengths and challenges. It's quite common to either underestimate how current skill levels transfer to new work (a work group tinkering with robots doesn't mean it has the skills to automate a supply chain, for instance) or overestimate behavioral willingness or affinity for new tasks (and then pile on too much training without enough behavioral reshaping and incentives). Getting this balance right is critical to success.

6 Align your reward to recognize people for things you need them to focus on now.

There is a good chance organizations will want to reward for different things post-pandemic, and a good chance that existing incentive plans will not pay out as planned. Get clear on what you need to reward for, ramp up recognition, and align pay to focus individuals and teams on what is most critical in the near term. Don't forget to revisit benefits packages to accommodate new needs to support both on-site and remote workers.

7 Ask for help.

Remember that your change plan starts today. Lean on your change management experts to help you align messages, anticipate hurdles, and engage people in the journey ahead.

In a sense, nearly every organization is on the same track right now, emerging from the worst disruption in decades. The forced work experiment brought on by the coronavirus pandemic is causing all organizations to adapt culturally and technologically. Most will muddle through and be content to get employees back to the worksite.

Agile organizations and leaders, however, will recognize that things are not going to go back to what they were before the coronavirus. They are proactively taking steps to prepare. A major part of those preparations is remodeling the workforce, creating an efficient, productive, and engaged group of employees who will help the organization accelerate through the turn.

Back-to-the-office Checklist

Before you open

Preparing the office and working environment

- Work with local officials on timing
- Check with building management
 - Feasibility of return date
 - Ability to accommodate adjusted building layouts and other changes
- Determine which roles will benefit from returning
- Explore “at will,” “encouraged,” and “must” work-from-office scenarios
- Assess employee readiness to return —e.g., health of employees, contact with infected people, mental readiness

Policy review and action plan for return

- Address privacy concerns, including the use/dissemination of health data
- Consider necessary legal actions, such as compliance policies and waivers of immunity
- Refine policies around sick leave, PTO, and working from home
- Review provisions for daycare reimbursement
- Determine/assign groups for alternating work schedules
- Determine date of return
- Map communication strategy
- Establish protocols for workers who have, or are exposed to coworkers with, COVID-19

Upon return

Making the office and working environment safe

- Ensure that building management has hygiene and engineering controls in place
- Explore temperature checks as a function of building management
- Discuss visitor control and monitoring services with building management
- Ensure that office is equipped with soap/sanitizer
- Ensure nightly deep cleaning of high-volume/common areas
- Assess seating proximity changes and determine A/B seating assignments
- Provide masks to employees and visitors as instructed by CDC guidelines
- Provide wipes/sanitizer in common areas and to visitors
- Encourage in-office social distancing of six feet
- Close common areas where possible and enforce social distancing in common areas if unable

Policy changes and making the return work

- Track visitors in terms of who and when they are meeting employees
- Cancel large gatherings or hold them via call or video
- Discourage shaking hands and other physical greetings
- Encourage employees to hold meetings outside when possible
- Encourage employees to bring their own lunches/meals
- Provide initial counseling or resiliency training for staff
- Establish mechanisms for sharing healthcare information with staff
- Devise mechanisms for sharing information around support services within the organization
- Review/revise policies to accommodate alternative work schedules
- Cross-train workers to allow for more flexible scheduling and completion of work
- Create contingency/succession plans for those in leadership roles
- Redefine goals and expectations for employees



Future-proofing your leaders

This year marks the 50th anniversary of Alvin Toffler’s Future Shock. Toffler defined change as “the process by which the future invades our lives.”

Last summer, Korn Ferry published research in which two-thirds of global investors said today’s leadership stock is not fit for the future. Current leadership styles, the investors believe, often hamstring organizations. If they want to push through innovation, digitization, and transformation, then those norms will need to change.

Based on future trends and our assessment data, we proposed a new model of future-ready leadership. We called out the key skills required to succeed in a disruptive world, the abilities to anticipate, drive, accelerate, partner and trust (ADAPT). We called it “Self-Disruptive Leadership.”

We all recognized that this was critical for the future, but we thought we had time. Nine months later, the future invaded our lives.



Accelerating through the turn

The COVID-19 pandemic has been the most challenging crisis most leaders today have faced in their lifetimes. The lack of precedents, patterns, or best practices has thrown us into uncharted waters, where we are forced to make consequential decisions - and fast - with little experience or standards to fall back on.

We are being tested mentally, emotionally, socially, and physically. It is, in many ways, a leadership assessment on a global scale. Through the trials and challenges, we are gaining unique insight into how leaders respond to a crisis, and how they act in comparison to each other. We are learning more about which key leadership qualities drive transformation in the face of great uncertainty. And with leaders now on a level playing field, we are seeing new stars rise—and old giants beginning to fall.

How leaders grasp and learn from this pandemic—and their ability to do so in short order—is key to an organization’s ability to accelerate through the turn. We need to look ahead and understand the shifting conditions for individual, team, and organizational success. Then, we need to assess whether the right roles, capabilities, and successors are in place, both for today and in the future.

After all, even when this crisis ends, the reverberation will be felt for months, if not years. But a lot of what is to come remains completely unknown. This means businesses will have to surround themselves with the leaders and top teams they need to not only survive, but also thrive in an uncertain world.

**“The rules have changed,
and the things that
made leading companies
successful are often anchors.”**

- Aaron Levie, CEO, Box

”

What have we learned about leadership?

The future leader profile

More than two-thirds of global investors say leadership will become more important to company performance within the next three years. But for leaders to succeed in the future, and continually self-disrupt, they will need to ADAPT:

A Anticipate

Make quick judgments and create opportunities; provide clear direction.

D Drive

Energize people and give purpose; keep people hopeful, optimistic, and intrinsically motivated.

A Accelerate

Implement ideas and empower innovation; use agile processes and quick prototyping.

P Partner

Connect across functional and organizational boundaries; enable exchange of ideas and enable high performance.

T Trust

Integrate diverse perspective and values; center on individuals.

As painful as they are, times of crisis are often a great genesis of creation.



Anticipate

For two years, PayPal had been working to update its Business Continuity Plan to include a complete work-from-home scenario. When COVID-19 became imminent, the plan launched globally in six days.



Drive

A global hotel chain is using this unprecedented crisis to double down on purpose. The company is supporting first responders and homeless people by providing housing. These efforts not only energize its people to conquer barriers associated with the crisis, but also create a positive halo for the brand. When the pandemic ends, the organization will be well-positioned for positive customer engagement.



Accelerate

The healthcare industry has been undergoing digitization for quite some time, but the crisis has accelerated this reality. The rapid spread of the virus has forced healthcare providers to withstand the increase of inbound patient calls, but also to make care as accessible to as many patients as possible. Through telemedicine, decisions that would typically take months are now being made in a matter of hours.



Partner

Recognizing the importance of their ecosystems and the pandemic's impact, Apple and Google—two tech giants with competing interests—have collaborated to develop a decentralized COVID-19 contact-tracing tool to help governments and health agencies flatten the curve.



Trust

CEOs leading the essential workforce in the logistics and supply chain sector are reaching beyond their title and leveling themselves more than ever before. They are showing up every day, vulnerable, relatable, and empathetic. In fact, one leader in the waste sector is going to work every day with his dog, creating an open place for support—something essential to engaging and re-energizing employees and unlocking the resilience needed to endure the crisis.

Leaders at these companies, and many others, have mobilized their top teams and made swift, early, and unprecedented moves to respond to the exigencies of COVID-19. But, leaders cannot rely on the next crisis to disrupt the market or their own operations in order to achieve competitive advantage. After all, leadership will make or break future businesses, whether or not there is a pandemic at their doorstep: nearly 80% of global investors surveyed by Korn Ferry say the CEO is critically important to corporate investment appeal.

The best companies, then, will understand the leader profile they will need most in order to shift their focus to the medium—and even longer-term. And they will know how to identify, enable, and put these leaders in the right positions to create the future.

These leaders share a common set of characteristics - characteristics that Korn Ferry research has shown are correlated with success in disruptive, ambiguous environments.



The Self-Disruptive Leader

Over time, leaders develop patterns and habits in the way they approach things. And often, those patterns and habits have worked well in the past.

But the problem with habits is that we get so used to them. We forget—or even ignore—what a situation may call for, relying only on our old way of doing things. So, those patterns and habits that have made us successful then become anchors, weighing us down in uncharted waters.

In many ways, the COVID-19 pandemic has disrupted every single one of our patterns and habits. Leaders, after all, are facing an unfolding situation that is shifting by the minute. Our well-worn approaches no longer apply.

Leaders, though, must not wait for a crisis to look inward. Rather, the best leaders will question their own assumptions about how business works and what is possible, even in times of stability. Otherwise, your future will just be an extension of your past.

As organizations accelerate through the turn, they will need leaders who ADAPT—who, as a matter of practice, challenge themselves and the organization to think and act differently. They will need leaders who are inclusive and have an open, curious, and evolving mindset that supports new ways of operating in order to find—and even shape—the future. And they will need leaders who will encourage and foster that mindset in others.

“Most companies become irrelevant not by doing the wrong things, but by doing the right things for too long”

- John Chambers

”



This is what we call **Self-Disruptive Leadership**. The competencies and traits of **Self-Disruptive Leaders** are many, but in particular they are defined by the following:

A high tolerance for ambiguity.

The best leaders will be able to adapt their leadership easily to new business situations. During the COVID-19 crisis, we have seen some leaders who seem naturally to “know what to do even when they don’t know what to do.” These Self-Disruptive Leaders, in other words, are comfortable with being uncomfortable, and even though they may not have the answers, they will not hesitate to act.

The ability to create a trusting, inclusive, and inspiring climate.

Self-Disruptive Leaders bring out the best in people and what teams can accomplish together. In fact, during the COVID-19 pandemic, we have seen leadership teams come together in a way never done before, because the crisis has given them a common sense of purpose. And despite the overwhelming pressures of the COVID-19 pandemic, we have seen these people leading from the front with positivity, hope, inclusion, and optimism.

A readiness to take on big challenges with new thinking.

Leaders who ADAPT are untethered by tradition, regulation, or convention. Self-Disruptive Leaders can be disruptive to the status quo—and organizations will need their best thinking in an uncertain environment where the old rules have changed.

We know from our research that countries, companies, and individuals who score higher in the ADAPT qualities find themselves being more highly innovative, seeing better financial outcomes, and performing better than those who score lower. In fact, we have found that many of Korn Ferry’s ADAPT leadership qualities are highly correlated with companies ranking highest on Drucker Institute’s Management Top 250 of long-term organizational effectiveness, an annual corporate ranking produced in partnership with the Wall Street Journal. The Drucker model favors companies that are able to transform, innovate, and lead their respective markets. As a result, organizations in this index outperform the S&P 500 during both good times and bad.

As a whole, the leaders at highly ranked companies are often comfortable with ambiguity and can respond with agility. These qualities not only make these Self-Disruptive Leaders effective in their role, but earn the trust of employees and shareholders, especially in tumultuous times. And we know from our organizational transformation research that trust in leaders accounts for 50% of the difference in financial performance over a 5-year period among the most highly transformational companies compared to less highly transformation companies.

The alarming news, according to Korn Ferry’s database: Only 15% of business leaders globally are considered self-disruptive - leaving 85% who urgently need to develop future-ready skills.

Future-proofing your talent practices

It is clear, from both our research and today's challenges, that how we develop leaders has not kept pace with the need for transformation. What longer-term actions can organizations take to ensure they are developing Self-Disruptive Leaders for the future?

Update your leadership model.

Business priorities should drive the leaders you need. So, as these change so should your definition of great leadership. Update or create future focused, strategic success profiles, starting again with your critical roles. What are the new skills and experiences needed? What sort of drive inspires success? What are the key challenges to conquer? Use the ADAPT model to push your thinking. Ensure competencies related to Self-Disruptive Leadership are added to current models. Or place a greater emphasis on these competencies if they are already included in your model. This act will force you to align on what your transformation means for your talent. This then becomes the target against which to assess your leaders.

Assess talent against this leadership model.

With this crisis, you have the opportunity to see your people in a new light and gather new data. Partly because the yardstick – what you need them to do – has changed. Partly because this crisis has challenged leaders in extraordinary ways. Some have jumped in to figure out new solutions to new challenges. Others are falling back on old playbooks, which may or may not work. People you thought of as high potentials may be disappointing. Or your consistent stars may not so consistent. You may have spotted hidden gems, true stars and even heroes. Gather this new data now. And remember that people with the potential to become self-disruptive leaders are often not the “usual suspects”, so conduct talent reviews by people, by roles and by capabilities to be sure that you are capturing a complete inventory of all your talent.



Put your Self-Disruptive Leaders on your biggest priorities.

This idea of focusing on few big priority projects and resourcing them with the best disruptive talent you have and using these projects to build leadership capability is common sense but not common practice. One of the challenges to making this happen is that these individuals are by definition different and disruptive. To think outside of the box you may need people who don't traditionally fit in it. Self-disruptive Leaders can be "spiky" in their profiles. They bring a compensatory model where the good outweighs the bad, rather than being "well rounded." Putting them on your biggest priorities will feel like a risk. But the best companies will accept and appreciate such "spikiness" and place Self-Disruptive Leaders in roles that provide the greatest return on their skills, and surround them with teams that will mitigate possible risks in order to retain them and see them thrive.

Reengineer your leadership development programs.

The COVID-19 crisis has changed the very nature of work in just a few short weeks, and leaders are now finding themselves in the biggest agility experiment of their lives. Update your leadership development programs to reflect this new reality. Invest in building new capabilities like strategic thinking and scenario planning; decision-making in complexity; communicating with vision and clarity; and rebuilding trust. Shift program design to a virtual approach, using webinars, elearning, and virtual classroom experience to accelerate key talent pools through the mid-term. The conversion to virtual effectiveness is well underway in many companies now, and good examples already exist.

Close key talent gaps through unconventional means.

This can include borrowing talent from within and outside of the organization. Find unlikely partners in adjacent industries that bring a new skillset (think 3M, GE, and Ford collaborating to create needed medical supplies at the start of the crisis). Augment talent through consulting firms or academic institutions, or through co-opetition to solve industry problems (think CVS Health and Walgreens partnering to provide more access to Covid-19 tests).

Include ADAPT in hiring practices.

In our role as executive search consultants, we are often asked to find disruptors outside of an industry. When it comes to looking at a long list of wants, there can be a tendency to be more risk averse and revert to people who have worked in that industry before. To thrive in the new future of business, ensure that role profiles reflect the need for all managers to lead with greater agility, to collaborate across boundaries, and to show up with positivity and optimism. Be prepared to pay more for this unique talent.

Reward Self-Disruptive Leadership.

If reward systems punish failure and reward only short-term performance, you will quickly smother the kind of experimentation that is necessary to frame the boundaries of a new normal.

Managing paradox

During times of crisis, leaders need to exist increasingly within paradox, or dynamic tensions that have no clear solution. They need to provide a sense of stability while also making necessary changes. They must lead with empathy while making tough decisions that could affect others. And they must create a sense of unity while enabling social distance and remote work.

Managers pride themselves on being great problem-solvers. But these dilemmas are not amenable to “either/or” thinking. Self-Disruptive Leaders are able to distinguish a problem from a paradox—a clear solution from a choice between two “goods” that can only be balanced.

Actions to manage paradox

- **Understand the dilemma.**
Analyze whether it’s a problem “we can solve” or an ongoing paradox “we must manage well.”
- **If it’s a paradox, don’t treat it like a problem.**
If you pick one pole of the paradox as “the answer,” sooner or later, you will have to deal with the other.
- **Avoid wide, painful swings between poles.**
Use the concept of balance to chart a course that avoids over-indexing on one side of an issue or the other.
- **Don’t manage paradox in isolation.**
You can’t reconcile differences if you’re stuck in your own head—or the heads of people who think just the same way you do. Effective dialogue enrolls people in the difficult and challenging work of uncovering differences, and then finding a common ground.
- **Look beyond the current options.**
Use paradox as a catalyst for innovation requires stretching beyond two (or more) apparent alternatives and creating a new, even better option.



Hit the gas

This crisis will pass, but disruptive environments will abound, and organizations will need to develop more Self-Disruptive Leaders who can adapt quickly and steadily to new, unfamiliar—and in many ways, unforgiving—circumstances.

You've already seen some significant actions to take around your leadership and talent practices. But if you want to get started today, here are some ways to help you accelerate through the turn.

1 Assess the readiness of your own team.

Now is the best time to consider how your leaders are showing up. How quickly and willingly have they unified around a shared purpose? How easily have they been able to pivot: to change direction without losing momentum? As you accelerate through the turn, how capable will they be of energizing a change-fatigued organization with positivity, hope, and optimism? Using formal and informal means to gauge your key takeaway strengths, weaknesses, risks, and opportunities based on your business priorities.

2 Define new pivotal leadership roles for your top priorities.

Assign your best leaders to these critical priorities and roles. The CEO of a US-based retailer had been in the role for less than a month before the COVID-19 pandemic hit and had to quickly rethink how he could utilize his workforce differently. He got creative by tasking his employees to form groups to brainstorm, think outside the box, and come up with solutions for now, tomorrow, and the future. As a result, the employees found a way to continue to engage with leadership in an open platform to exercise innovative and strategic thinking. Think about these campaigns as opportunities to get your most agile leaders onto those projects where you most need unconventional thinking—while doubling as an opportunity to build leadership capability.

3 Conduct an emergency succession review.

The business depends even more on executive and board members during a time of crisis. But because their jobs are now 24/7, there is a real risk of burnout and turnover. Having emergency succession plans in place can help mitigate the risk of unexpectedly losing a senior leader or board member.

The “Gold Standard” in emergency succession planning

- Have at least one individual identified who the board is confident can step in and run the company in both short-term and longer-term emergencies.
- Have a realistic emergency succession plan identified for all executive roles which are pivotal and critical to driving the enterprise internally or externally.
- In each key business and function in the organization identify critical roles and people.
- For all critical roles, leverage insight from ongoing succession processes which define leadership requirements and a bench of potential “understudies.”
- Update existing succession plans in the light of the COVID-19 emergency and current state of business.
- Put a process in place to test existing plans against leadership requirements and business “what if” scenarios, and create solutions against the highest risks.
- Establish an Emergency Leadership Action Team that can be activated as needed and a developed Leadership Transition Policy to guide decisions.
- Define communication process and protocols that provide a step-by-step guide of what company needs to do in the event of an unexpected transition.

4

Shore up and support your critical leadership.

This is a decathlon, not a sprint. A major US retailer, conducting an emergency succession review, recognized that some less tenured leaders had not yet been tested in a crisis before now. It instituted a buddy system to ensure that these leaders were partnered with more experienced ones to serve as thought partners and to guide their development.

5

Provide virtual just-in-time development for leaders in critical posts.

Leadership development doesn't need to stop right now because of virtual working. A global financial services firm, for example, rapidly rolled out a series of short, sharp webinar trainings on crucial and relevant topics, such as coaching, leading in a virtual environment, helping others through change, and personal agility. Consider using more virtual simulation assessments, online leadership events, and e-retreats for top teams to develop your leaders. Even in a virtual setting there is a place for collective work, conversations, sharing, and peer feedback. The virtual session is a catalyst for new thinking in that can use different techniques to turn new ideas into new behaviors and routines.

An aerial photograph of a city street with a green gradient overlay. The street has white crosswalk lines and a metal curb. Two people are walking on the sidewalk. The text is overlaid on the green area.

Steering in a new direction

In the end, the pandemic has given agile leadership the ultimate test. But while they have learned painful lessons, the brightest and best are using their self-disruptive skills to pivot themselves and help their organizations adapt. They are leading with purpose, anticipating changing realities, partnering with competitors, mobilizing top teams, and building trust with stakeholders. They are shifting mindsets now so that when the next crisis hits, they are able to weather the unexpected.

More important, they are not just ready to meet the future—they're prepared to shape it.

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